## Josh Bernstein, P.C.

## Civil Rights & Employment Law

Josh Bernstein, P.C. 188 Grand St., 2<sup>nd</sup> FL. New York, NY 10014 By **February 22, 2023**, Defendants shall file a response to Plaintiffs' letter-motion at ECF No. 123.

ISO ORDERED

2/17/2023

RE: Defendants' Passing Bad Checks

SARAH L. CAVE

United States Magistrate Judge

The Honorable Sarah L. Cave
United States District Court, Southern District of New York
500 Pearl Street, Room 1670
New York, NY 10007

## B. Moody and K. O'Brien v. Inspire Summits, LLC and Christopher P. Skroupa No. 20-CV-5834

M.J. Cave,

I represent Plaintiffs B. Moody and K. O'Brien in the above-captioned FLSA matter in which your Honor approved the parties' settlement on November 30, 2022, and write to inform the Court that Defendants have passed two bad checks in connection with that settlement and issued a stop payment on a third. This is not the first time Defendants have reached a settlement with a former employee with no intention of paying, and Defendants explicitly made false representations to Plaintiffs and the Court in order to secure dismissal of this suit. Plaintiffs therefore respectfully request that your Honor order Defendants to appear at a date and time convenient to chambers to show cause why they should not be held in contempt for perpetrating a fraud upon the Court.

## Defendants' False Representations in the Settlement Agreement and to the Court

On November 4, 2022, the parties moved for approval of a settlement in the total amount of \$65,000. Payment was to be made in two installments of equal amounts: the first payment would be made within 7 days of the Court's "So-Order" of the Agreement, and the second within 67 days of the Court's "So-Order" of the Agreement. Executed Settlement Agreement annexed hereto as Exhibit 1 (See Docket Entry No. 119, 121).

Because Defendant Christopher P. Skroupa is a serial comman, and Plaintiffs are aware of a former employee of Defendants by the name of "James" who Mr. Skroupa entered into a settlement agreement with and then welched, the undersigned counsel drafted the Agreement such that Defendants were required to provide executed checks to their counsel covering all payments under the Agreement prior to approval of the settlement, which counsel would then hold the checks in escrow and turn them over to Plaintiffs and their counsel when due. Ex. 1 ¶ 2(a). The reason the undersigned counsel